

part on the extent of other resources and partners available within the community.

Examiners are expected to:

- Obtain information on the availability of resources dedicated to the local credit or development needs that have been identified; and
- Gauge the level of the contact's efforts in approaching local financial institutions and the mechanisms of financing involved, if any.

In addition to any background materials reviewed in the preparation portion of the examination, contacts can provide relevant information on:

- The number and nature of community development or credit-related projects being developed for the benefit of the community;
- The number of organizations or government programs committed to those activities;
- The extent to which partnerships or other forms of coordination are evident in the area;
- The level of resources devoted to these activities; and
- How active these programs or resources are with respect to promoting the credit or banking needs that local representatives or residents have identified.

Assessing Opportunities for Participation

The following questions apply to:

Community-based organizations:

- Has your organization ever participated in activities, either formally or informally, with financial institutions? If so, which ones? For what projects or products? For what clients (for example, what were the income characteristics of those who benefited)?
- Does your organization partner with other groups, including religious organizations, government agencies and neighborhood organizations, in conducting any of its program activities?
- Tell me about any other organizations you work with in meeting your clients' needs. What other organizations serve this community in the areas of affordable housing? Small business development? Commercial, day care or other community related facilities? Job training? Credit counseling? Low-income advocacy?
- Which of these organizations do you consider most active? If I wanted more information from them, whom should I contact?

- Which financial intermediaries do you consider particularly effective? Why?
- Are you seeking funds from local financial institutions for any current projects?
- What is the nature of the project? Is it a development-based product? Is it related to credit needs in the community? Is there a specific neighborhood or group of individuals that this project will benefit? How?
- What are the specific requirements for the financing that you are seeking?
- Are you aware of similar projects that other organizations are working on?
- What can you tell me about those? Who can I contact to learn more?

State and local economic development agencies, government agencies:

- What, if any, commercial development projects are underway? Where are they located? Are jobs created? Will low- or moderate-income individuals benefit? How?
- What are the number and nature of various economic development programs funded by the city or state? How many residents do these programs benefit annually?
- Which of these programs, if any, are designed to leverage funds from financial institutions? What are the mechanics of the program? How many projects have been funded to date? Which financial institutions have participated in these programs? Is there a particular area or group that these funds target?
- Do you have programs designed specifically for affordable housing or small business development? If so, how many small businesses and/or small farms benefit? What is your definition of small business?
- What are the funding levels of these programs? How many projects have been funded to date? Is there a particular neighborhood or group that these funds target? If so, what are they?
- Have any financial institutions participated in these programs? If so, which ones?
- Do you currently have other projects or have you had projects in the past that required either investment or other forms of financing from a financial institution? What are/were the characteristics of the project? Its financing? Include projects involving bond issuances, etc. What were the results? Innovative? Risky?
- What financing mechanisms are needed, planned or in place for any development or infrastructure related projects?

XI. Community Reinvestment Act – Community Contacts

Real estate brokers:

- Do you know about local or state financing programs for affordable housing, small business or commercial development? How did you hear of these programs?
- Are there specific home insurance or financing programs that you utilize or to whom you refer customers? Which ones? Which do you utilize specifically for your low-income customers?
- Which financial institutions in the area are you aware of that access these programs? How actively? Which do not?

In addition, another function of the community contact process is to obtain feedback from the community on the performance of local financial institutions.

Obtaining Local Perspectives on the Performance of Financial Institutions

Obtain Feedback from the Community

1. The examiner is expected to gather information on the willingness and responsiveness of financial institutions, including the institution under examination, to work with local residents and professionals in meeting credit and community economic development needs.

The following questions apply.

General:

- With which banks, savings and loans, or mortgage companies have you been involved? What was the nature of your involvement?
- Has your organization ever participated in activities, either formally or informally, with financial institutions? If so, which ones? How did this professional relationship develop?
- What were the results of your involvement with financial institutions? In what ways has financial institution participation had a positive impact? In what ways has it had a negative impact? Probe for such project aspects as timing, financing terms, etc.
- Are local financial institutions pro-active in developing relationships or offering assistance? If so, which ones?
- What financial institution(s) does your group recommend to your constituents? Why?
- What obstacles, if any, prevent greater involvement from financial institutions in meeting local credit needs?
- Have you ever been invited by institutions to participate in institution-sponsored activities? If yes, specify the activities' purpose and the role you played.

- Has your organization ever received complaints about individual institutions?
- Did the people affected know about the complaint process or were they informed about it?
- Did any of the complaints involve allegations that the institution(s) discouraged people from submitting an application? Did any complaints involve geographic or racial redlining, or any other forms of discrimination? What happened?
- Is anyone in your group or known to your group willing to offer specific evidence of discriminatory actions by specific institutions?

NOTE: If allegations of discrimination, discouragement or redlining are made with respect to an institution not regulated by your agency, forward the relevant information to the institution's primary regulator.

- In your opinion, which institutions in the area have been particularly outstanding in meeting the community's needs? Why? What, specifically, has been done by these institutions?
- In your opinion, which area institutions have been particularly notable for their unwillingness to respond to the community's needs? Why?
- In your opinion, how well does [institution name] meet the credit needs of this community?

Community-based organizations:

- Have you discussed local credit needs with any financial institutions? What were the results?
- Do any institutions provide in-kind services, for example, loaned executives, etc.?
- What efforts are made to inform institutions and obtain their participation in the organization's activities? Which institutions participate and to what degree? Which institutions, if any, declined to participate?
- If your organization works with government enhancement programs, do financial institutions work with you on that product? If so, which ones?
- What efforts have you employed to improve your organization's relationship with any institutions? Which institutions? How successful have your efforts been?

Real estate brokers (be sure to include those operating in low- or moderate-income areas):

- Do you frequently work with financial institutions or other lenders that originate home mortgages?
- Which institutions do you receive rate sheets from on a consistent basis? How are they typically delivered to you?